

² See *Social Contract for Time Warner*, 11 FCC Rcd 2,788 (1995). The Commission's adopted Social Contract initiative furthers the underlying congressional policy and intent of the Cable Television Consumer Protection and Competition Act of 1992, by "ensur[ing] that cable operators continue to expand, where economically justified, their capacity and the programs offered over their cable systems." Cable Television Consumer Protection and Competition Act of 1992, § 2(b)(3), Pub. L. No. 102-385, 106 Stat. 1460, 1463 (1992). The Social Contract, similar to upgrade incentive plans that have been implemented for telephone carriers, affords cable operators substantial flexibility in setting rates for new regulated services and guarantees customers stable rates for current services. See *Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation and Adoption of a Uniform Accounting System for Provision of Regulated Cable Service, Report and Order and Further Notice of Proposed Rulemaking*, 9 FCC Rcd 4527, 4677-80 (1994).

In the event of a sale of any system during the period of applicability of this Contract, the purchaser may elect, with the concurrence of the FCC, for the provisions of this Contract to continue to apply to such system. Such FCC concurrence shall be expeditiously decided and not be unreasonably withheld. In the event the purchaser elects not to have the provisions of this Contract apply to any such system, the CPST subscribers to such system shall be eligible for the refunds calculated pursuant to Section III.F.5 in the event the upgrade commitment described in Section III.F.1 has not been completed prior to the consummation of such sale.³

Charter has sought the continued application of the Social Contract to systems it acquired from Renaissance and Fanch, respectively. Charter has agreed to be bound by all of the provisions of the Social Contract, without any modifications. The pertinent provisions of the Social Contract include, but are not limited to: (a) upgrading subject systems with a capacity of at least with a capacity of at least 550 MHz as of the Social Contract Effective Date;⁴ (b) upgrading all other subject systems to 550 MHz; (c) upgrading 50 % of the subscribers in the subject systems to 750 MHz; (d) ensuring that at least 60 % of new analog services in the acquired systems are added to the cable programming services tier ("CPST"); (e) adding at least 15 channels on average (weighted by CPTS subscribers) to the CPTS service offered on the upgraded systems; (f) expending at least 60% of upgrade capital on benefits for basic service tier ("BST") and CPST subscribers; (g) submitting an annual progress report; and (h) paying all refunds and penalties imposed under the Social Contract for noncompliance with upgrade requirements.

4. Charter represents that it acquired from Renaissance seventeen systems, serving communities principally in Louisiana and Tennessee.⁵ Our records reflect that Renaissance requested, and the FCC approved, the continued application of the Social Contract's terms to seventeen acquired systems.⁶ Thus, because the seventeen Renaissance systems have remained subject to, and Charter has agreed to assume Renaissance's responsibilities for such systems under, the Social Contract, we approve Charter's request with respect to these systems, on the condition that Charter has timely complied with all pertinent provisions of the Social Contract, including the system upgrade commitments set forth in Section III.F.1 of the Social Contract.

5. Charter also represents that it acquired from Fanch sixteen systems, serving communities principally in Pennsylvania, West Virginia and Kentucky.⁷ Based upon our review of Charter's request, as supplemented, it appears that those sixteen systems have continued to be covered by the Social Contract, as systems managed by, and/or subsidiaries or affiliates of, Time Warner.⁸ Thus, because the sixteen

³ *Social Contract for Time Warner*, 11 FCC Rcd at 2,866.

⁴ Subject systems include all of Time Warner's cable systems as of November 30, 1995, the Effective Date of the Social Contract. See *Social Contract for Time Warner*, 11 FCC Rcd at 2,851-52.

⁵ The communities served by the seventeen acquired systems include: Jennings, LA; Church Point, LA; Eunice, LA; Opelousas, LA; Pointe Coupee, LA; Assumption, LA; LaFourche, LA; St James, LA; Mandeville, LA; Slidell, LA; Picayune, MS; Jackson, TN; Selmer, TN; Camden, TN; Alamo, TN; Newbern, TN.

⁶ See *Time Warner Social Contract*, 13 FCC Rcd 5,280, 5283-84 (1998).

⁷ The communities served by the seventeen acquired systems include: Warren, PA; Bradford, PA; Clearfield, PA; Altoona, PA; Johnstown, PA; Charleston, WVA; Manchester, KY; Bulan, KY; Williamsburg, KY; Flatlick, KY; Madisonville, KY; Hartford/Beaver, KY; Rockport, KY; White Plains, KY; Murray, KY; Mayfield, KY.

⁸ See *Social Contract for Time Warner*, 11 FCC Rcd at 2,853 (defining Time Warner collectively as including as "any subsidiary, division or affiliate thereof, or, where consistent with the context, any cable system owned or (continued...)")

Fanch systems have remained subject to, and Charter has agreed to assume Fanch's responsibilities for such systems under, the Social Contract, we approve Charter's request with respect to these systems, on the condition that Charter has timely complied with all pertinent provisions of the Social Contract, including the system upgrade commitments set forth in Section III.F.1 of the Social Contract.

6. Accordingly, IT IS ORDERED that the request of Charter Communications, Inc. to assume the rights and obligations of Renaissance Media, LLC and Robert C. Fanch under the Social Contract with respect to the seventeen and sixteen cable systems acquired by Charter Communications, Inc. from Renaissance Media, LLC and Robert C. Fanch, respectively, IS GRANTED, provided that the Commission shall have the benefit of all agreements made between parties to the Agreement and the right to enforce any provision of the Social Contract against the party that has agreed to be responsible for such provision in the Agreement.

7. This action is taken by the Deputy Chief, Cable Services Bureau, pursuant to the authority granted by the Commission in the Social Contract for Time Warner and pursuant to the authority delegated by Section 0.321 of the Commission's rules, 47 C.F.R. § 0.321.

FEDERAL COMMUNICATIONS COMMISSION

William H. Johnson
Deputy Chief
Cable Services Bureau

(...continued from previous page)
managed" by Time Warner for purposes of the Social Contract).